



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Jon M. Huntsman, Jr.
Governor

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Director

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M0150040

cc: Paul
Daron

March 2, 2007

CERTIFIED MAIL NO. 7160 3901 9842 1746 8833

Miracle Rock Mining & Research, LLC
200 East 400 South
Emery, UT 84522

RE: NOTICE OF LEASE TERMINATION OF ML 42844 AND ML 42844-A

Gentlemen:

The two mineral leases listed above were approved March 10, 1986 upon state trust lands for a Primary term of ten years, commencing April 1, 1986. A Secondary term of ten years was allowed, provided Lessee engaged in diligent operations and paid an annual minimum royalty. The terms and conditions of the leases stipulate, however, that the leases shall expire after the end of the Twentieth year except by the actual production of the leased substances in commercial quantities from the leased premises. The end of the Twentieth year of the leases was March 31, 2006. No production of the leased substances from the leased premises has been reported to the School and Institutional Trust lands Administration by the Lessee since September, 2000.

Please be advised that the above numbered leases will not be extended beyond the end of the current lease year, ending March 31, 2007. Lessee should immediately commence reclamation of all mining disturbances upon the leased lands in accordance with the reclamation contract entered the Utah Division of Oil, Gas & Mining for the Rockland Mine (Permit #M0150040). Please immediately contact me at the Utah School and Institutional Trust lands Administration to obtain a right-of-entry to perform the required reclamation work past the lease termination date of March 31, 2007.

Sincerely,

John T. Blake
Trust land Specialist

RECEIVED

MAR 05 2007

Div. of Oil, Gas & Mining

CC: Paul Baker